TUBE HOME (M) SDN BHD

v.

P SHANMUGAM & ANOR

HIGH COURT MALAYA, KUALA LUMPUR
RAMLY ALI J
[SUIT NO: S1(IP)-22-328-2002]
4 SEPTEMBER 2009

EVIDENCE: *Documentary evidence - Admissibility of - Admissibility of affidavit and letter where maker has passed away - Whether affidavit admissible under s. 73A(1) Evidence Act 1950 - Whether letter admissible under s. 73A(1) and s. 32(1)(b) of Evidence Act 1950 - Probative value of statements contained in affidavit and letter*

EVIDENCE: *Relevancy - Relevancy of facts - Facts in issue and relevant facts - Whether facts completely unconnected to present suit are wholly irrelevant and inadmissible - Whether statements amounting to bad character evidence inadmissible - Evidence Act 1950, ss. 5, 52*

TORT: *Negligence - Professional negligence - Patent agent - Duty of care, scope of - Failure to request for Substantive Examination within prescribed time - Failure to inform and advise regarding Notice of Withdrawal - Whether a discharged patent agent owes duty to continue prosecuting patent application - Whether breach of duty established - Whether damages proven*

The plaintiff's claim against the defendants was premised on the plaintiff's allegations that the defendants were liable for negligence in the exercise of their duties as the plaintiff's patent agent in relation to the filing, prosecution and registration of a utility innovation for the plaintiff's invention (the UI application). The plaintiff's claim was premised upon the following allegations: (i) that the 1st defendant, as a patent agent, had failed in his duty to make the request for substantive examination within the prescribed time under the Patents Regulations 1986 and as a result, the plaintiff's application for the said UI application was deemed abandoned; (ii) that the 1st defendant, as a patent agent, had failed in his duty to inform and advise the plaintiff on the substantive examination requirement; and (iii) that the 1st defendant, as a patent agent, had failed in his duty to inform and advise the plaintiff in relation to the notice of withdrawal dated 25 May 2002. The defendants' defence were as follows: (i) that the 1st defendant was discharged by the plaintiff in 1997, and thereafter owed no duty to the plaintiff in making the request for the substantive examination and/or in

informing and advising the plaintiff on the notice of withdrawal; (ii) that the 1st defendant had informed and advised the plaintiffs on the substantive examination requirement; and (iii) that the plaintiff suffered no damages, or alternatively, any damages suffered by the plaintiff were not proximately caused by the 1st defendant's breach of duty (if any). The court also had to determine the admissibility of the following evidence: (a) an affidavit (D6) affirmed by the late En. Moinuddin, a senior officer in the Intellectual Property Division of the Ministry of Domestic Trade and Consumer Affairs (who had passed away on or about November 2007); (b) letter from the 1st defendant to the Registrar of Patents dated 12 May 1997 (ID1); (c) the letter from the Registrar of Patents to the plaintiff dated 10 September 1997 (ID2); (d) statements by En Noor Hisham (PW5) relating to disciplinary action taken by the Malaysian Intellectual Properties Organisation (MIPO) against the late En Moinuddin; and (e) the evidence in relation to the plaintiff's trade mark application. The late En Moinuddin had agreed to appear as a witness for the defendants to give evidence on matters arising from and relating to the 1st defendant's discharge as the plaintiff's patent agent in 1997. The affidavit (D6) was originally intended to be En Moinuddin's witness statement. En Moinuddin was always present in court during the trial and was ready to testify as a witness but passed away before testifying. The plaintiff in an attempt to discredit the late En Moinudin, sought to adduce similar fact and collateral facts evidence to show that En Moinuddin was charged in a disciplinary proceeding taken by the MIPO for acting without lawful authority in another unrelated case. The plaintiff further sought to adduce evidence that the 1st defendant had failed to attend to the advertisement of the plaintiff's trade mark application falsely claiming that he had been discharged as the plaintiff's trade mark agent.

Held (dismissing the plaintiff's claim with costs):

(1) For documentary evidence to be admissible under s. 73A(1) of the Evidence Act 1950 ('EA50') the document must contain statement of fact. D6 contained statement of fact as contemplated under s. 73A(1). Section 73A(1) requires that the original document sought to be admitted must be produced in court. An original copy of D6 signed and affirmed by the late En Moinuddin had been filed in court. Documentary evidence (like D6) is admissible if the maker of the statement has personal knowledge of the matter dealt with by the statement. En Moinuddin had personal knowledge of the statements he had made in D6. Thus, D6 was admissible under s. 73A. (paras 19, 20, 21 & 22)

(2) The 1st defendant confirmed that he was the maker of ID1 and was cross-examined by the plaintiff's counsel on the said letter. Thus, ID1 was admissible. (paras 53, 54, 55 & 58)

(3) The maker of ID2 was the late En Moinuddin who was willing to appear as the defendant's witness until his death. In ID2 the late En Moinuddin on behalf of the Registrar of Patents had made statements in relation to the discharge of the 1st defendant as the plaintiff's patent agent and the substantive examination requirement. He had personal knowledge of the statement made in ID2. There was no issue of hearsay as En Moinuddin had affirmed in his witness statement (D6) that he was the maker of the statement. ID2 was admissible pursuant to s. 32(1)(b) EA50. ID2 was also admissible under s. 73A EA50. (paras 54 & 55)

(4) Evidence may be given only on the facts in issue and other facts declared by the Evidence Act as relevant and of no others. The disciplinary action brought against the late En. Moinudin related to facts completely unconnected to this action. Thus, PW5's statements in relation to the disciplinary actions, being wholly irrelevant, were inadmissible pursuant to s. 5 EA50. The statements also amounted to bad character evidence and therefore inadmissible pursuant to s. 52 EA50. The facts pertaining the plaintiff's trade mark application were also irrelevant and thus inadmissible. (paras 88 & 89)

(5) The 1st defendant had sufficiently informed and advised the plaintiff on the substantive examination requirement prior to his discharge in 1997. The 1st defendant, having been discharged as the plaintiff's patent agent on 15 February 1997, had no duty to inform and advise the plaintiff regarding the notice of withdrawal. Further, the 1st defendant never received the notice of withdrawal as it was sent to the wrong address. In the circumstances, the 1st defendant could not be held liable for failing to inform and advise the plaintiff on the notice of withdrawal as alleged by the plaintiff. (paras 110 & 111)

(6) On the issue of damages, even assuming the 1st defendant had breached his duties as a patent agent owed to the plaintiff, there was no sufficient evidence to show that such purported breaches had caused any damages to the plaintiff. The plaintiff had not proven that the plaintiff's invention was capable of being protected as a patent. The plaintiff had also not adduced evidence to justify the sum of damages being claimed. Further, the purported breaches of the 1st defendant was not the

proximate cause of the losses (if any) suffered by the plaintiff due to failure to properly register the UI application. The plaintiff was aware of the substantive examination requirement and failed to take reasonable measures towards its compliance. (para 115)

(7) A patent agent who has been discharged by an applicant owes no further duties to the applicant to continue prosecuting the application. There is no strict duty imposed upon patent agents to submit the substantive examination request immediately after the filing of a patent during the effective period, as such filing can be done at any time within the two-year period. The 1st defendant's duty to make the request for substantive examination for the UI application ceased upon his discharge of 15 February 1997, and thus he could not be held liable that such request was never made. (para 124)

(8) There is no strict duty imposed upon a patent agent to inform and advise the applicant on every single procedural step to be taken in a patent application, particularly if such a step in purely administrative and mechanical, and requires no exercise of discretion or decision-making. (para 130)

Case(s) referred to:

Alliedbank (Malaysia) Bhd v. Yau Jiok Hua [1998] 2 CLJ 33 HC ***(refd)***

Bank Bumiputra Malaysia Berhad v. Halimah Awang [2002] 1 LNS 56 HC ***(refd)***

Blyth v. Birmingham Waterworks & Co [1856] 11 Exch 781 ***(refd)***

Honda Giken Kogyo Kabushiki Kaisha v. Allied Pacific Motor (M) Sdn Bhd & Anor [2005] 6 CLJ 174 HC ***(refd)***

Ismail v. Hasnul & Another Appeal [1967] 1 LNS 60 FC ***(refd)***

Kubota Agricultural Machinery Sdn Bhd v. Sharizan Sdn Bhd & Anor; Sharizan Sdn Bhd & Ors (Third Parties) [2001] 6 CLJ 104 HC ***(refd)***

Lamphier v. Phipos [1883] 173 ER 581 ***(refd)***

Lim Bua v. Ng Kian Heng [1993] 2 CLJ 461 HC ***(refd)***

Maelstrom Resources Sdn Bhd & Anor v. Shearn Delamore & Co And Another Case [2007] 1 CLJ 50 HC ***(refd)***

Majlis Perbandaran Ampang Jaya v. Steven Phoa Cheng Loon & Ors [2006] 2 CLJ 1 FC ***(refd)***

Muthusamy v. PP [1947] 1 LNS 71 HC ***(refd)***

Ng Chooi Kor v. Isyoda (M) Sdn Bhd [2004] 1 LNS 567 HC ***(refd)***

Ooi Thean Chuan v. Banque Nationale De Paris [1992] 2 CLJ 1225; [1992] 3 CLJ (Rep) 160 HC ***(refd)***

PP v. Dato' Seri Anwar Ibrahim (No 3) [1999] 2 CLJ 215 HC ***(refd)***

PP v. Paneerselvan Krishnan & Ors [1990] 2 CLJ 833; [1990] 2 CLJ (Rep) 804 HC ***(refd)***

R v. Turner [1975] 1 All ER 70 ***(refd)***
Swamy v. Matthews & Anor [1967] 1 LNS 174 FC ***(refd)***
Tay Choo Foo v. Tengku Mohd Saad Tengku Mansur & Ors And Another Appeal [2009] 2 CLJ 363 CA ***(refd)***
Wong Kiong Hung & Anor v. Chang Siew Lan & Another Appeal [2009] 3 CLJ 751 CA ***(refd)***

Legislation referred to:
Evidence Act 1950, ss. 5, 32(1)(b), (c), 52, 63, 65(1)(a)(i), 66(b), 73A(1)(a)(i), (3), (6), 114(e)
Patents Act 1983, ss. 29A(4), (5)(a), 56
Patents Regulations 1986, regs. 5, 10(2), 25, 26, 27(3), (4), 27A, 27C, 29, 30

Other source(s) referred to:
Sarkar's Law of Evidence, 15th edn, p 685

For the plaintiff - SL Su (HL Phuah with him); M/s Tay & Partners
For the defendants - Datuk DP Naban (Sharmila Ravindran with him); M/s Lee Hishamuddin Allen & Gledhill

Reported by Amutha Suppayah

JUDGMENT

Ramly Ali J:

The Plaintiff's Claim

[1] The plaintiff's claim against the defendants is premised on the plaintiff's allegations that the defendants are liable for negligence in the exercise of their duties as the plaintiff's patent agent in relation to the filing, prosecution and registration of the Utility Innovation No. 9603451 for the invention of a new and stronger coupling assembly for furniture made of metal (the UI application). The plaintiff is seeking, *inter alia*, special and general damages return of professional fees paid to the defendants and costs. The defendants on the other hand maintain that the defendants had exercised their duties with due care and skill until their discharge by the plaintiff.

[2] The plaintiff claim is essentially premised upon the following three main allegations:

a) that the 1st defendant, as a patent agent, had failed in his duty to make the request for substantive examination within the prescribed time under regs. 27 and 27A of the Patents Regulations 1986 and as a result, the plaintiff's application for the said UI application was deemed abandoned;

A b) that the 1st defendant, as a patent agent, had failed in his duty to inform and advise the plaintiff on the substantive examination requirement; and

c) that the 1st defendant, as a patent agent, had failed in his duty to inform and advise the plaintiff in relation to the notice of withdrawal dated 25 May 2002.

[3] The defendants' defence to the plaintiff's claim and allegations are as follows:

C a) the 1st defendant was discharged by the plaintiff in 1997, and thereafter owed no duty to the plaintiff in making the request for the substantive examination and/or in informing and advising the plaintiff on the notice of withdrawal;

b) the 1st defendant had informed and advised the plaintiffs on D the substantive examination requirement; and

c) in any event, the plaintiff suffered no damages, or alternatively, any damages suffered by the plaintiff are not proximately caused by the 1st defendant's breach of duty (if any).

E **[4]** To prove its claim, the plaintiff called six witnesses during trial, including three witnesses from the office of the Patent Registry (PW3, PW4 and PW5) and an expert witness (PW6). The defendants on the other hand called two witnesses ie, the 1st defendant (DW1) and an expert witness (DW2).

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Factual Background

[5] The undisputed facts in the action herein are as follows:

a) the 1st defendant is a patent agent registered with the Register G of Patent Agents under the Patents Act 1983;

b) on or about 9 February 1996, the plaintiff consulted the 1st defendant at the plaintiff's office for professional service on the patenting of the plaintiff's invention relating to a new and stronger coupling assembly for furniture made of metal; and on H or about February 1996, the 1st defendant was appointed to secure a certificate of utility innovation for the plaintiff's invention ("UI application");

c) prior to and during the appointment of the 1st defendant's as I the plaintiff's patent agent, the plaintiff was continually obtaining legal advice from patent agents other than the 1st defendant;

d) on 25 July 1996, the defendants sent an invoice (PON.CY.1195) to the plaintiff for the sum of RM4,500 being the 1st defendant's professional charges in relation to the registration of the UI application. On 30 July 1996, the plaintiff duly paid by way of cheque a sum of RM4,000 in settlement of the invoice;

e) on 22 August 1996, the 1st defendant prepared and filed the UI application on behalf of the plaintiff and the said UI application was allocated the application number UI 9603451;

f) on 13 September 1996, one Encik Moinuddin bin Ibrahim on behalf of the Registrar of Patents signed and issued the certificate of filing for the UI application (UI 9603451) to the 1st defendant;

g) on 23 September 1996, the 1st defendant *via* letter ("P16") informed the plaintiff that the certificate for the UI application "has been issued" by the Registrar of Patents and "will be delivered" to the defendants upon being signed by the Registrar of Patents. Shortly after, the 1st defendant sent a copy of the certificate of filing to the plaintiff, who admitted receiving the same;

h) on 15 February 1998, a meeting was held between the plaintiff and the 1st defendant at the plaintiff's office upon the request of PW2;

i) after a period of four years, on January and February 2002, the plaintiff requested the 1st defendant to "check and update" on the status of the UI application.

In response to the above request, the 1st defendant informed the plaintiff *via* a letter dated 5 February 2002 ("P24") that:

a) the 1st defendant had written to the intellectual property division on 10 January 2002 to inquire the status of the UI application, and is awaiting their reply;

b) the plaintiff had settled the defendants' bills and subsequently discharged the defendants;

c) the 1st defendant merely inquired on the status of the UI application for the plaintiff as "a help".

Procedural Steps In Applying For Grant Of A Utility Innovation (UI)

[6] The alleged negligence and breach of duties on the part of the defendants in this action is premised mainly on the 1st defendant's alleged failure to follow the procedural steps in applying for grant of a UI, resulting in the plaintiff's application being considered withdrawn by the Patents Registry. Therefore, it is pertinent at this point to narrate the procedural steps as found in the evidence of PW3, PW6 as well as the Patents Regulations Rules 5, 25, 26, 27, 27C, 29 and 30.

[7] The procedural steps in obtaining the grant of the certificate of utility innovation are as outlined below:

a) filing of the UI application comprising Form 14 (application form for grant of certificate for UI), Form 17 (authorization form), specification, statement of reg. 10(2) and prescribed fee of RM100;

b) the Patent Registry will issue a certificate of filing with the application number and filing date of the UI application, together with a clear formalities report, to the patent agent on record;

c) within two years from the date of filing, the patent agent must file a request for substantive examination *via* form 5 and pay the prescribed fee of RM700;

d) the patent examiner will then examine the UI application for satisfaction of the requirements under the Patents Act 1983. If the application does not meet the requirements and is objected to by the examiner, a substantive examination - adverse report will be issued by the Patent Registry to the patent agent, to which a response must be filed within three months by the patent agent;

e) if the application complies with the requirements of the Patents Act, the substantive examination - clear report will be issued by the Patent Registry to the patent agent, requiring payment of the fee for grant of RM100;

f) the notice of grant together with the certificate the utility innovation will be issued upon payment of the grant fees. Particulars of the granted utility innovation will be published in the government gazette and made available to the public.

[8] The request for substantive examination as outlined very important in the application for a UI as it is a mandatory obligation under s. 29A(5)(a) of the Patents Act. Failure to file the request in Form 5 within the deadline will result in the withdrawal of the UI application at the end of the prescribed period. Pursuant to s. 29A(4) of the Patents Act and reg. 27(3) of the Regulations, the request must be accompanied by information relating to the corresponding application filed in any other prescribed industrial property office and the results of any searches or examinations carried out by such prescribed industrial property office. Failure to comply with s. 29A(4) is a ground for invalidation under s. 56 of the Patents Act.

[9] Where an applicant or its patent agent fails to file the request for substantive examination in form 5 within the prescribed deadline, ie, two years from the date of filing of the application the Patents Registry will issue a notice of withdrawal. The procedure in respect of a notice of withdrawal is outlined below:

a) the notice of withdrawal will be issued to the patent agent to inform that the application has been withdrawn;

b) in the notice, the applicant is given two months to file a response or request for a hearing;

c) the period stated in the notice may be extended upon request in limited circumstances. For instance, if the patent agent or applicant has not receive the notice of withdrawal and files in a statutory declaration to confirm the non-receipt;

d) there are however limited instances in which the withdrawn application can be reinstated. For instance, if the applicant shows that the non-compliance was due to circumstances beyond the control of the applicant, or that the request for substantive examination was made but misplaced by the registry;

e) if the reason for overlooking the deadline is because of unfamiliarity with procedure, then it is not a valid ground to reinstate the withdrawn application.

Preliminary Issues on Admissibility of Certain Evidence

[10] Before deciding on the merits of the plaintiff's claim, this court is faced with the following issues of admissibility of certain documents and evidence adduced by both parties during trial, which must first be determined. The in question are as follows:

a) the affidavit affirmed by the late Encik Moinuddin bin Ibrahim, a senior officer in the intellectual property division of the Ministry of Domestic Trade and Consumer Affairs (who had passed away on or about November 2007 (D6);

b) the letter from the 1st defendant to the Registrar of Patents dated 12 May 1997 (ID1);

c) the letter from the Registrar of Patents to the plaintiff dated 10 September 1997 (ID2);

d) the statements by Encik Noor Hisham Ghazali (PW5), particularly para. 14 - 18 of the witness statements, relating to disciplinary action taken by the Malaysian Intellectual Properties Organisation (MIPO) against the late Encik Moinuddin sometime in December 2005; and

e) the evidence in relation to the plaintiff's trade mark application.

Admissibility Of D6 (Affidavit Affirmed By The Late Encik Moinuddin)

[11] The late Encik Moinuddin, a senior officer in the Intellectual Property Division of the Ministry of Domestic Trade and Consumers Affairs at the material time, had agreed to appear as a witness for the defendants to give evidence on matters arising from and relating to the 1st defendant's discharge as the plaintiff's patent agent in 1997. The affidavit (D6) was originally intended to be a witness statement by the late Encik Moinuddin in the form of an affidavit. On 29 September 2005, D6 was duly affirmed by the late Encik Moinuddin before a commissioner for oaths and filed into this court.

[12] The late Encik Moinuddin was always present in court during the trial proceedings and was ready, willing and able to testify as a witness. Tragically, he passed away on or about November 2007.

[13] On 8 June 2009, the 1st defendant sought to tender D6 into court during the course of the trial proceedings. However, the solicitors for the plaintiff raised an objection to the admissibility of D6.

[14] The defendants are seeking to admit D6 as evidence by relying on the provisions of s. 73A of the Evidence Act 1950. Specifically, the defendants claim that D6 is admissible as it fulfils the requirements under s. 73A(1) of s. 73A of the Evidence Act in that:

a) the late Encik Moinuddin bin Ibrahim has passed away before he can be called as a witness to testify in this trial proceedings;

b) D6 contains statements of fact made by the late Encik Moinuddin;

c) the original copy of D6 has been produced;

d) the late Encik Moinudin has personal knowledge of the statements made in D6;

e) the late Encik Moinuddin had no material interest in the outcome of the present proceeding when he made the statements in D6; and

f) D6 being a signed and affirmed affidavit is admissible pursuant to s. 73A of the Evidence Act.

[15] On the other hand the plaintiff is saying that despite the fact that the late Encik Moinuddin had passed away, D6 does not fulfil the requirements under s. 73A(1) of the Evidence Act and the plaintiff is objecting to the admissibility of D6 on grounds that the defendants have not shown:

a) the late Encik Moinuddin has personal knowledge of the statements made in D6; or

b) D6 forms part of a record purporting to be a continuous record and the late Encik Moinuddin had made D6 in the performance of a duty to record information supplied to him by a person who had, or might reasonably be supposed to have had, personal knowledge of those matters.

[16] The plaintiff objects to the admissibility of D6 on the basis that the late Encik Moinuddin had no personal knowledge of the statements made in D6, particularly in relation to the facts relating to the receipt and contents of ID1; the contents of ID2; and the practice of the Patents Registry to send letters similar to ID2 to applicants.

[17] The plaintiff alludes that the late Encik Moinuddin has no personal knowledge on the receipt and contents of ID1 based on the facts that there is no record in the Patents Registry of the receipt of ID1; and that the late Encik Moinuddin had no access to the files of the UI application at the material time during 1997.

[18] The relevant provisions that need to be considered at this stage is s. 73A(1) of the Evidence Act, which provides the following:

> (1) Notwithstanding anything contained in this Chapter in any civil proceedings where direct oral evidence of a fact would be admissible, any statement made by a person in a document and tending to establish that fact shall, on production of the original document, be admissible as evidence of that fact if the following conditions are satisfied:
>
> (a) If the maker of the statement either:
>
> (i) had personal knowledge of the matters dealt with by the statement; or
>
> (ii) Where the document in question is or forms part of a record purporting to be a continuous record, made the statement (so far as the matters dealt with thereby are not within his personal knowledge) in the performance of a duty to record information supplied to him by a person who had, or might reasonably be supposed to have had, personal knowledge of those matters; and
>
> (b) If the maker of the statement is called as a witness in the proceedings:
>
> Provided that the condition that the maker of the statement shall be called as a witness need not be satisfied if he is dead ...

[19] The word "statement" as used in s. 73A(1) must be one of fact. It must refer to "something that is stated" and must be construed widely (see: *PP v. Paneerselvan Krishnan & Ors* [1990] 2 CLJ 833; [1990] 2 CLJ (Rep) 804; and *Alliedbank (Malaysia) Bhd v. Yau Jiok Hua* [1998] 2 CLJ 33). For documentary evidence to be admissible pursuant to s. 73A(1) the document must contain statement of fact.

[20] In D6, the late Encik Moinuddin had made statement to confirm the existence of the confirmation of the 1st defendant's discharge as the plaintiff's patent agent and the late Encik Moinuddin's involvement relating to the UI Application. Further, the late Encik Moinuddin sets out the chronology of events that transpired upon the 1st defendant's discharge as the plaintiff's patent agent. As such, such statement clearly ought to be regarded as statement of fact a contipulated under s. 73A(1).

[21] Section 73A(1) requires that the original document sought to be admitted must be produced in court. In this case, an original copy of D6 signed and affirmed by the late Encik Moinuddin in the presence of the commissioner for oaths has been duly filed in this court on 29 September 2005.

[22] Documentary evidence (like D6) is admissible if the maker of the statement has personal knowledge of the matter dealt with by the statement. This is clearly provided for under s. 73A(1)(a).

[23] In the case of *Ng Chooi Kor v. Isyoda (M) Sdn Bhd* [2004] 1 LNS 567, the High Court held that an affidavit affirmed by a deponent (filed during interlocutory proceedings) was admissible under s. 32(1)(c) as well as under s. 73A(1) of the Evidence Act, on the ground that every statement he said in the affidavit was based on his personal knowledge and that he could not be traced after all reasonable efforts to find him have been made without success.

[24] Similarly in the present case, the statement made by the late Encik Moinuddin in the affidavit (D6) was purely within his personal knowledge, as they relate to his actions and experiences in the Patents Registry in relation to this present action, particularly his receipt and signing of letters in relation to the UI application.

[25] Further, the 1st defendant had met with the late Encik Moinuddin personally whereby the late Encik Moinuddin confirmed that he was personally responsible in attending to the UI application. On 5 March 2003, the 1st defendant had gone to the Patents Registry to meet the late Encik Moinuddin and showed him copies of the correspondence between themselves (ID1 and ID2) relating to the UI application. Upon perusing his file, the late Encik Moinuddin confirmed the existence of such correspondence through a letter on the same day. Subsequent to the filing of the suit, the 1st defendant under advice of his solicitors met with the late Encik Moinuddin again, in view that he may be a relevant witness. During the meeting, the late Encik Moinuddin was interviewed by the 1st defendant's solicitors. The interview crystallized into a written statement by the late Encik Moinuddin in D6.

[26] Thus, it is clear that the late Encik Moinuddin has personal knowledge of the statements he had made in D6.

[27] According to the proviso to s. 73A of the Evidence Act, "the condition that the maker of the statement shall be called as a witness need not be satisfied if he is dead ...". The defendants had

every intention of producing the late Encik Moinuddin as a witness to testify before this court, hence the filing of D6 in this court. Unfortunately, the late Encik Moinuddin is now unavailable as he had since passed away on or about November 2007.

[28] At all material times, the late Encik Moinuddin had access to the file of the UI application. PW3 had stated in clear terms that since 1996 the late Encik Moinuddin was senior enough to sign forms and certificates, and officers such as the registrar, assistant registrar and deputy registrar having the authority to sign such forms had access to the file room.

[29] The 1st defendant (DW1) had also given evidence that during his meeting with the late Encik Moinuddin on or about 5 March 2003, he had witnessed the late Encik Moinuddin perused through the file of the UI application. Such testimony by DW1 was never challenged by the plaintiff.

[30] The plaintiff argues that the late Encik Moinuddin had no personal knowledge on the contents of the letter ID2. The court cannot agree with the plaintiff on this issue in light of the facts that the late Encik Moinuddin had personally written and signed the said letter (ID2); and the file management of the Patents Registry during 1997 was far from perfect, and there were cases where letters are misplaced and missing. Thus, the lack of any record of ID2 in the registry's records does not in any way prove that ID2 was not sent. On the contrary, the sworn affidavit of the late Encik Moinuddin (D6) very clearly beyond the balance of probabilities proves that the letter ID2 was in fact sent to the plaintiff by the Patents Registry.

[31] It is also undisputed fact that the late Encik Moinuddin was an Assistant Registrar who had authority to send letters to the applicants at the material time, as verified by PW3. As such, the late Encik Moinuddin is perfectly positioned and qualified to be aware of the practice of the Patents Registry in 1997, based on his own personal experience. Thus, the practice of the registry to send letters similar to ID2 to the applicants is clearly within his personal knowledge.

[32] In any event, the plaintiff's own witness, PW3 and Mr Wong, a senior patent agent (DW2 who was called as an expert witness by the defendants) had testified that such a practice exists among certain officers, and this was uncontradicted.

[33] The plaintiff further alleges that the affidavit (D6) is inadmissible pursuant to s. 73A(3) of the Evidence Act on the ground that the late Encik Moinuddin was having substantial interest in the outcome of the present action or at the very least that he was not independent and impartial.

[34] Section 73A(3) provides that "nothing in this section shall render admissible as evidence any statement made by a person interested at a time when proceedings were pending or anticipated, involving a dispute as to any fact which the statement might tend to establish".

[35] In the case of *Alliedbank (supra)*, the High Court stated that "a person interested is someone who had a substantial material interest in the outcome of the proceedings pending or anticipated when the statement was made". A person outside the category of those interested refers to someone who is completely detached, judicial, impartial and independent.

[36] In this regard, the court finds that there is no evidence to show that the late Encik Moinuddin has any material interest in the present action and that he has acted partially and in a biased manner on 29 September 2005 when he signed the affidavit D6. As such, s. 73A(3) of the Evidence Act does not operate as a restriction of admissibility to D6.

[37] The 1st defendant's relationship with the late Encik Moinuddin is purely professional, and not personal. In his testimony, he had explained that he knew the late Encik Moinuddin "in his capacity as an officer of the Malaysian Intellectual Property Corporation and that was the extent of my relationship with him". Such testimony was never challenged by the plaintiff, either through cross examination of the 1st defendant or through any other positive evidence. The unreliable records of the Patents Registry hardly count as credible evidence against the late Encik Moinuddin's impartiality.

[38] The fact that the late Encik Moinuddin had rendered assistance to the 1st defendant particularly in giving information to the 1st defendant in relation to the UI application and that he was willing to appear as the defendants' witness is totally irrelevant. Without any evidence of bad faith, this reveals the late Encik Moinuddin's keenness to discharge his duties as an officer of the Patents Registry and to assist this court by testifying on a matter he was personally involved. Any honest, hardworking public servant

should do that, and the late Encik Moinuddin in that regard was an exemplary public servant. Any suggestion of any impropriety is not only without evidence but is wholly irregular and without basis.

[39] The court also finds that the late Encik Moinuddin had the authority to sign and issue the letter ID2. The plaintiff's sole evidence purportedly proving the late Encik Moinuddin's lack of authority is based on the registry's records which have been shown to be unreliable. The unreliability of such records is clearly evidenced by the inconsistency by the plaintiff's own evidence that according to PW5, the records revealed that the late Encik Moinuddin had no authority to issue the certificate of filing in 1996; but according to PW3, the late Encik Moinuddin was senior enough in 1996 to have the authority to issue the said certificate.

Thus, the court is convinced that the late Encik Moinuddin had the authority to issue the letter ID2, and that the records of the Patents Registry as relied by PW5 do not accurately reflect the late Encik Moinuddin's actual authority at the material time.

[40] When ID2 was brought to the attention of the Patent Registry, there was no suggestion that it was written without any authority or the writing of such letter was unusual. There is no evidence as to why the late Encik Moinuddin would issue such a letter if he had no authority. There is not even an *iota* of evidence that the dealings between the late Encik Moinuddin and the 1st defendant was anything other than formal and official.

[41] The affidavit of the late Encik Moinuddin (D6) filed in this court on 29 September 2005 should be admitted as evidence. D6 being admissible under s. 73A of the Evidence Act carries high probative value as evidence. In assessing the weight of evidence, s. 73A(6) of the Evidence Act states that "regard shall be had to all the circumstances from which any inference can reasonably be drawn as to the accuracy or otherwise of the statement".

[42] Section 73A(6) provides:

> (6) In estimating the weight, if any, to be attached to a statement rendered admissible as evidence by this Act, regard shall be had to all the circumstances from which any inference can reasonably be drawn as to the accuracy or otherwise of the statement, and, in particular, to the question whether or not the statement was made contemporaneously with the occurrence or existence of the facts stated, and to the question whether or not the maker of the statement had any incentive to conceal or misrepresent facts.

[43] The evidence adduced by the late Encik Moinuddin in D6 is highly relevant in the present case. Briefly put, it is highly relevant because this evidence is pivotal and necessary in establishing that the 1st defendant had in fact been discharged as patent agent of the plaintiff, and such discharge had been duly communicated and accepted by the Patents Registry office which had in turn sent a confirmation to the plaintiff through the letter ID2. This evidence clearly establishes that the 1st defendant's duties and obligation (if any) to the plaintiff ended at the point of discharge by the plaintiff.

[44] The plaintiff seeks to diminish the weight to be attached to the statement made in D6 particularly in that it was not contemporaneously made with the occurrence of the events in which the statement therein relates to ie, the 1st defendant's discharge as the plaintiff's patent agent in 1997.

[45] In this regard, the court is of the view that this issue must take into consideration the fact that the statement in D6 was not made by the late Encik Moinuddin purely based on his memory, but based on contemporaneous documents made during 1997 itself, particularly the letters ID1 and ID2. The late Encik Moinuddin further verified the validity of both these letters when he perused through the files during the meeting with the 1st defendant in 5 March 2003. Based on such documentary references, he made the statements in D6 by affirming an affidavit under oath.

[46] The late Encik Moinuddin made the statements in D6 by relying upon not only his recollection, but also upon the documentary records which were made contemporaneous to the 1st defendant's discharge as the plaintiff's patent agent in 1997.

[47] In estimating the weight of the evidence under s. 73A(6), one of the question to be considered is "whether or not the maker of the statement (in this case the late Encik Moinuddin) had any incentive to conceal or misrepresent facts."

[48] In the present case, the court is satisfied that the statement in D6 was made by the late Encik Moinuddin contemporaneously with occurrence or existence of the facts stated. Also there is nothing to indicate that the maker of those statement (the late Encik Moinuddin) had any incentive to conceal or misrepresent facts. (see: *Kubota Agricultural Machinery Sdn Bhd v. Sharizan Sdn Bhd & Anor; Sharizan Sdn Bhd & Ors (Third Parties)* [2001] 6 CLJ 104). Thus the probative value of his statements in the affidavit (D6) would not be impaired.

A **Admissibility Of ID1 And ID2**

[49] ID1 is letter from the 1st defendant to the Registrar of Patents dated 12 May 1997 with a copy sent to the plaintiff. ID2 on the other hand, is a letter from the Registrar of Patents to the plaintiff dated 10 September 1997, with a copy sent to the 1st defendant.

[50] ID1 is one of the contemporaneous documents the defendants seek to rely upon in support of their contention that the 1st defendant was discharged by the plaintiff as its patent agent in 1997. This letter (ID1) was written personally by the 1st defendant on 12 May 1997 informing the Registrar of Patents that the 1st defendant was discharged as plaintiff's patent agent; and that the 1st defendant had advised PW2 to appoint a new patent agent. This step was taken by the 1st defendant as a result of the meeting held between PW2 and the 1st defendant on 15 February 1997 when PW2 clearly discharged the 1st defendant as the plaintiff's patent agent.

[51] During the course of trial, the 1st defendant had adduced sufficient evidence to demonstrate that ID1 was duly sent to the respective parties. The evidence are in the form of an excerpt of the mailing book of the 1st defendant's firm (P80); the "acknowledged receipt" stamp on ID1 which clearly shows that the Patent Unit of the intellectual property division had received it; and the corroborative testimonies of the 1st defendant and the late Encik Moinuddin (in D6).

[52] In response to ID1, the late Encik Moinuddin on behalf of the Registrar of Patents sent a letter dated 10 September 1997 to the plaintiff (ID2), a copy of which was sent to the 1st defendant.

[53] In his evidence in court the 1st defendant confirmed that he was the maker of ID1. He was cross-examined by the plaintiff's counsel at great length on the said letter. As such, the court finds there cannot be any doubt of ID1's admissibility.

[54] The maker of the letter ID2 is the late Encik Moinuddin. He was willing and able to appear as the defendant's witness until his untimely death on or about November 2007. In ID2 the late Encik Moinuddin on behalf of the Registrar of Patents had made statements in relation to the discharge of the 1st defendant as the plaintiff's patent agent and the substantive examination requirement. He has personal knowledge of the statement made in

ID2. He was the officer at the registry office responsible in processing the UI application, as evidence by his signing of the certificate of filing.

[55] There is no issue of hearsay as the late Encik Moinuddin had affirmed in his witness statements (D6) that he was the maker of the statement.

[56] When referred to ID2 the late Encik Moinuddin stated in D6 as follows:

> This is a letter dated 10.9.1997 signed by me on behalf of the Registrar of Patent of the Intellectual Property Division of the Ministry of Domestic Trade and Consumer Affairs to the Plaintiff informing the Plaintiff that the 1st Defendant was no longer the patent agent for the Plaintiff and I also reminded the Plaintiff to file the application for Substantive Examination or modified substantive examination pursuant to section 29A of the Patents Act 1983.

[57] The witness statement (D6) was signed by the late Encik Moinuddin in the presence of a commissioner for oaths. As such, pursuant to s. 114(e) of the Evidence Act, it is to be presumed that the commissioner for oaths had "regularly performed" his public duty of checking and verifying that the late Encik Moinuddin had indeed referred to ID2 and affirmed that he was the maker of the statement in ID2. The 1st defendant was also present when the statement in D6 were made and affirmed by the late Encik Moinuddin.

[58] The court is also of the view that the document (ID2) is admissible pursuant to s. 32(1)(b) of the Evidence Act. The relevant portion of s. 32(1)(b) reads:

> Statements, written or verbal, of relevant facts made by a person who is dead .. are themselves relevant facts .. when the statement was made by any such person in the ordinary course of business, and in particular when it consists of any entry or memorandum made by him in books kept in the ordinary course of business or in the discharge of professional duty ...

[59] In *Sarkar's Law of Evidence* (15th edn) at p. 685, the term "ordinary course of business" is described as "in the ordinary course of a professional avocation" or "the current routine of business which was usually followed by the person whose declaration it is sought to introduce". The term is also wide enough to include "a letter written by a dead person in the ordinary course of business."

[60] In the same text book, the term "business" is not strictly limited to trade in the commercial sense but, includes "a course of transactions performed in one's habitual relations with others and as a material part of one's mode of obtaining a livelihood."

[61] In the present case, the letter (ID2) was made by the late Encik Moinuddin pursuant to his duties and responsibilities as a senior officer of the registry authorized to sent letters on behalf of the Registrar of Patents. Even PW3 (an officer attached to the registry) had admitted that during 1997 the late Encik Moinuddin had the authority to send certificates and letters on the registrar's behalf.

[62] It was also shown in evidence by DW2 (a senior lawyer and patent agent in Malaysia) that there exists a practice by the registrar office to sent letters to applicants informing them of their patent agent's discharge similar to ID2.

[63] In any event, it is not a requirement under s. 32(1)(b) that the document sought to be produced must be an essential and common practice of any other person similarly circumstanced. Instead, it is sufficient that the document is ordinarily made by the maker in the course of his business, no matter how personal and trivial it may appear. In short, a subjective test, rather than an objective test, is to be applied. As clearly stated in *Sarkar's Law of Evidence* (15th edn) at p. 685, "... but it would not exclude any regular record that was helpful, though not essential or usual in the same occupation as followed by others".

[64] This view was recently endorsed by the Court to Appeal in the case of *Tay Choo Foo v. Tengku Mohd Saad Tengku Mansur & Ors And Another Appeal* [2009] 2 CLJ 363 where Mohd Ghazali Yusoff JCA held as follows:

> The learned judge was of the view that the words "in the ordinary course of business" appearing in s. 32(1)(b) of the Evidence Act 1950 ("the Act") should be given "a broad and liberal connotation" and for support referred to *Devi Singh v. Mt Phulma* AIR [1961] HP 10. He also referred to *Rammamurthi v. Subba Rao* AIR [1937] Mad 19 where the Court was of the view that the words "in the course of business" appearing in s. 32(2) of the Indian Evidence Act means the way the business (which may be of a purely private or even trivial nature) is conducted and have no connection with the course of business suggesting a series of acts of business.

[65] Thus, in the present case it is irrelevant to establish whether letters similar to ID2 are required to be sent, and are in fact ordinarily sent by other officers in the registry. As long as the late Encik Moinuddin personally adopts a practice to send out such letter in the course of his duty, such practice is sufficient to amount to something done "in the ordinary course of business". A B

[66] Alternatively, the court is also of the view that the letter (ID2) is admissible pursuant to s. 73A of the Evidence Act.

[67] One of the requirements under s. 73A(1) is that the evidence or statement in question must be statement of fact, and the document to be produced must be an original document. C

[68] In ID2, the late Encik Moinuddin on behalf of the Registrar of Patents had made statement in relation to the discharge of the 1st defendant as patent agent of the plaintiff and the substantive examination requirements. Such statements clearly fall within the wide ambit by "statement of facts" within the meaning of s. 73A(1). D

[69] The court finds that the letter ID2 amounts to an "original document" as it is a carbon copy of the same letter sent by the registry to the plaintiff. E

[70] According to explanation 2 to s. 62 of the Evidence Act, primary evidence includes "where a number of documents are all made by one uniform process, as in the case of printing, lithography or photography, each is primary evidence of the contents of the rest". F

[71] In the case of *Ooi Thean Chuan v. Banqua Nationale De Paris* [1992] 2 CLJ 1225; [1992] 3 CLJ (Rep) 160, Edgar Joseph Jr J (as he then was) held as follows: G

> It is often overlooked that there can be more than one original of a document. As far back as 1796, Eyre CJ held in *Gotlieb v. Danvers* [1796] 170 ER 418 that where two copies of the same document are made at the same time, both should be deemed originals. Signed carbon copies may also be deemed originals. H

[72] In any event, although s. 73A of the Evidence Act expressly states the terms "on the production of the original document", the Act recognizes that the original document may not be required under certain exceptions. Section 65(1)(a)(i) of the Act provides that "secondary evidence may be given of the existence, condition or I

contents of a document admissible in evidence .... where the original is shown or appears to be in the possession or power ... of the person against whom the document is sought to be proved".

[73] The above provision applies in our case, as the original copy of the letter ID2 had been sent to, and presently in the possession of the plaintiff, and that the defendants intend to use such evidence against the plaintiff. Although s. 66 of the Act requires a notice to produce to be given in normal circumstances, it is clear that the exception in sub-s. (b) applies here, in that "when from the nature of the case the adverse party must know that he will be required to produce it". As the defendants had expressly alluded to ID2 in its defence, the plaintiff would have known that it would be required to produce the original letter (ID2) that it had received from the Registrar of Patents.

[74] As such, even if ID2 is not regarded as primary evidence, it ought to be regarded as secondary evidence that can be validly accepted as the original document.

[75] Section 73A (1)(a)(i) of the Evidence Act also provides that the maker of the statement must have personal knowledge of the statement made in the document.

[76] There are sufficient evidence adduced during trial that the maker of the statement, the late Encik Moinuddin was (at the relevant time) a senior officer of the registry responsible in processing the UI application as evidence by his signing the certificate of filing. As such, he undoubtedly has personal knowledge on all matters relating to the said UI application including the discharge of the 1st defendant as a patent agent of the plaintiff. Further the 1st defendant had personally informed the late Encik Moinuddin about the discharge *vide* letter (ID1).

[77] Proviso to s. 73A(1) provides that the maker of the statements need not be called as a witness in the proceedings if he is dead.

[78] In the present case, the defendants had every intention to call the late Encik Moinuddin as a witness to testify in this proceeding. Hence the filing of his witness statements (D6) in this court. Unfortunately he is now unavailable as he had since passed away on or about November 2007.

[79] Section 73A(3) imposes limitation to the admissibility of statement or document under s. 73A(1). It provides:

> (3) Nothing in this section shall render admissible as evidence any statement made by a person interested at a time when proceedings were pending or anticipated, involving a dispute as to any fact which the statement might tend to establish.

[80] In the present case, there is no evidence to show that the late Encik Moinuddin had any material interest in the outcome of the present proceeding when he made the statement in ID2 in 1997. There may be suspicion along that line, but the plaintiff had not adduced any evidence at all to that effect. Suspicion alone cannot substitute for evidence. There is also no evidence to show that at the time of making the said statement, the late Encik Moinuddin had acted partially and in a biased manner. Therefore the court is satisfied that s. 73A(3) does not operate as a restriction to admissibility of ID2.

[81] In assessing the weight of evidence, s. 73A(6) of the Evidence Act states that one of the questions to be considered is "whether or not the statement was made contemporaneously with the occurrence or existence of the facts stated."

[82] In this regard, ID2 was made on 10 September 1997, just a few months after the Registrar of Patents had received ID1 from the 1st defendant on or about 12 May 1997. As such, the statement in ID2 ought to be regarded as being made contemporaneously with the discharge of the 1st defendant.

[83] The second question to be considered under s. 73A(6) is "whether the maker of the statement had any incentive to conceal or misrepresent facts". In our present case, not a shred of evidence was adduced to show that the late Encik Moinuddin had any personal interest in the UI application and/or that there is any reason why he would be motivated to conceal or misrepresent the facts in ID2.

Evidence Of Disciplinary Action Against The Late Encik Moinuddin

[84] In an attempt to discredit the late Encik Moinudin, the plaintiff seeks to adduce similar fact and collateral facts evidence, so as to prove that since the late Encik Moinuddin was charged in a disciplinary proceeding taken by the MIPO for acting without lawful authority in another unrelated case, he is likely to have acted without lawful authority in the present case.

[85] To do that the plaintiff had called PW5, the Director of Administration and Human Resources in the Malaysian Intellectual Property Organisation (MIPO) to give evidence in relation to the character of the late Encik Moinuddin by making the following statements:

a) disciplinary action was taken by MIPO against the late Encik Moinuddin sometime in December 2005;

b) the disciplinary action was based on a customer's complaint that the late Encik Moinuddin had purportedly gave information through a letter signed by him when he had no authority to do so; and

c) as a consequence, the late Encik Moinudin resigned from the MIPO in 2006.

[86] In his evidence, PW5 admitted that such disciplinary action does not arise from, nor is it linked to the facts of the present action.

[87] The defendants had raised an objection to the admissibility of the statements made by PW5, on the grounds that the statements are irrelevant to the facts in issue and amount to bad character evidence and are inadmissible.

[88] It is the fundamental rule of evidence that evidence may be given only on the facts in issue and other facts declared by the Evidence Act as relevant and of no others. It is the duty of the judge to admit all relevant evidence and to exclude all irrelevant evidence. Section 5 of the Evidence Act 1950 declares that evidence may be given in any suit or proceeding of the existence or non-existence of every fact in issue and of such other facts as declared to be relevant and of no others. (see: s. 5 of the Evidence Act 1950; *PP v. Dato' Seri Anwar Ibrahim* (No. 3) [1999] 2 CLJ 215, and *Muthusamy v. PP* [1947] 1 LNS 71).

[89] In the present case, the evidence clearly shows that the disciplinary action brought against the late Encik Moinudin in December 2005 relates to a set of facts completely unconnected to the facts arising from the action herein. It does not involve any of the parties of the action, and neither is it relates to the transaction and relationship of the parties. As such, there is no nexus whatsoever between the disciplinary action and the facts in issue. Thus, the court finds that the statements of PW5 in relation to the disciplinary actions, being wholly irrelevant, are inadmissible pursuant to s. 5 of the Evidence Act 1950.

[90] On the issue of similar facts or collateral facts evidence, as a general rule of law, this type of evidence is inadmissible. On this issue the court is in full agreement with Augustine Paul J, in the case of *Dato' Seri Anwar Ibrahim (supra)* where he held:

> This section provides for the relevancy of collateral facts. As *Sarkar on Evidence* 15th ed vol 1 says at p. 255:
>
> This section has been expressed in very wide language, but it does not mean that any and every fact which by a chain of reasoning may be shown to have a bearing, however remote, on any fact in issue or relevant fact, is relevant ... The words of the section are no doubt very wide, but in determining relevancy the Court in the exercise of a sound discretion should see that the connection between the fact to be proved and the fact sought to be given in evidence is so close or immediate as to render the co-existence of the two highly probable or improbable. It has been seen that collateral facts are ordinarily excluded and the section embodies one of the instances in which collateral facts may be relevant.

[91] This court is also guided by the decision of the Federal Court in *Ismail v. Hasnul & Another Appeal* [1967] 1 LNS 60, where it was held:

> [Section 11 of the Evidence Act] no doubt is expressed in terms so extensive that any fact which can, by a chain of ratiocination, be brought into connection with another, so as to have a bearing upon a point in issues, may possibly be held to be relevant within its meaning. But it has its limitation. It does not admit of collateral facts which are not, reasonably conclusive and which have practically no connection with the main fact.

[92] The threshold for the admissibility of collateral facts is very high, and requires a degree of "high probability". This was again explained in the case of *Dato' Seri Anwar (supra)* by Augustine Paul J who stated as follows:

> The words "highly probable" control the type of collateral facts that may be admitted under this section. As *Sarkar on Evidence* 15th ed vol I says at p. 262:
>
> > The words are not 'reasonable probably'. The significant word is 'highly'. This means more than normal standard of probability.
>
> The collateral facts sought to be admitted must be reasonably conclusive to show that it is consistent or inconsistent with a fact in issue (see *Ismail v. Hasnal & Another Appeal* [1967] 1 LNS 60). Thus the section makes only those facts admissible which, assuming they are admitted in evidence, will be of great weight in bringing the Court to a conclusion one way or the other as regards the existence or non-existence of the facts in question.

[93] Applying the law to the present case, the court is satisfied that the collateral facts alluded by PW5 in relation to the disciplinary action against the late Encik Moinuddin cannot be admissible on the ground that it has no "high probative value" in determining the existence or non-existence of the facts in issue in this case. Such collateral facts have no relevance whatsoever to the present action and thus inadmissible.

[94] Even, assuming the statements of PW5 in relation to the disciplinary action is relevant, the court should exercise its discretion to exclude them particularly due to the prejudice caused to the 1st defendant. The court is of the view that the statements also amount to bad character evidence and therefore inadmissible pursuant to s. 52 of the Evidence Act 1950.

[95] Section 52 of the Evidence Act 1950 provides that "in civil cases the fact that the character of any person concerned is such as to render probable or improbable any conduct imputed to him is irrelevant, except so far as his character appears from facts otherwise relevant".

[96] It is trite law that not all relevant evidence is admissible. In the English Court of Appeal decision of *R v. Turner* [1975] 1 All ER 70, Lawton J succinctly stated as follows:

> Relevance, however, does not result in evidence being admissible: it is a condition precedent to admissibility. Our law excludes evidence of many matters which in life outside the Courts sensible people take into consideration when making decisions. The exclusions are provided by laws. Section 52 of the Evidence Act 1950 is one of such laws.

[97] The statements of PW5 in relation to the disciplinary action against the late Encik Moinuddin were made with the motivation, and would have the effect of, tarnishing the reputation of the late Encik Moinuddin. This is particularly so considering that the disciplinary action is unrelated to the present action. As the effect of such statements would tend to "render probable" the allegation that the late Encik Moinuddin had acted without his lawful authority in relation to UI application, to allow its admissibility would cause prejudice to the late Encik Moinuddin's evidence as well as the defendants' case.

Evidence Of The TM Application

[98] During trial, the plaintiff had raised issue relating to the plaintiff's trade mark application (no. 91/01822 class 20) (TM application) in which the 1st defendant had acted as its trade mark

agent. Evidence was adduced by the plaintiff through the testimony of PW2 and the cross-examination of the 1st defendant whereby the plaintiff made, *inter alia*, allegations that the 1st defendant did not attend to the advertisement of the TM application in 1997 after obtaining the notice of acceptance in May 1996; and that the 1st defendant had falsely claiming that he was discharged as the plaintiff's trade mark agent in 1997.

[99] Again, as in the case of the disciplinary action above, the court is of the view that such evidence is irrelevant to the facts in issue in this present claim and thus inadmissible; and such evidence amount to bad character evidence and is inadmissible pursuant to s. 52 of the Evidence Act 1950, which expressly excludes evidence alluding to "the fact that the character of any person concerned is such as to render probable or improbable any conduct imputed to him."

Consideration On Merits

[100] Based on the whole evidence admitted throughout the trial, the court shall now consider the merit of the plaintiff's claim. The factual issues to be determined in the present action are as follows:

a) whether the 1st defendant had been discharged as the plaintiff's patent agent in 1997 as alleged by the 1st defendant;

b) whether the 1st defendant had sufficiently informed and advised the plaintiff on the substantive examination requirement;

c) whether the 1st defendant had received the notice of withdrawal dated 25 May 2000 ("notice of withdrawal"); and

d) whether the plaintiff had suffered any damages as a proximate cause of the 1st defendant's breach of duty (if any).

[101] The strength of the plaintiff's claim essentially lies on the fact whether the 1st defendant was discharged as the plaintiff's patent agent in relation to the UI application in 1997.

[102] Based on the admitted evidence, and on the balance of probabilities the court is satisfied that the 1st defendant was effectively discharged by PW2 as the plaintiff's patent agent during a meeting on 15 February 1997 when PW2 informed the 1st defendant of the discharge and paid his outstanding fees. The fact that the 1st defendant was discharged by the plaintiff on 15 February 1997 is further supported by PW2's own evidence that after 15 February 1997, he stopped giving business to the 1st

defendant. This leads to the reasonable conclusion that the plaintiff had stopped engaging the services of the 1st defendant, including on the UI application.

[103] At the material times, the court finds that there are no fixed rules or guidelines for a discharge of a patent agent. As such a discharge, can be done either orally, in writing or by way of mutual agreement. This was acknowledged by both the plaintiff and defendant's expert witnesses, PW6 and DW3.

[104] The 1st defendant's discharge as the plaintiff's patent agent is also substantiated with contemporaneous documents ie, the 1st defendant's letter to the Registrar of Patents, dated 12 May 1997 (ID1) and the registrar's letter dated 10 September 1997 to the plaintiff (ID2) informing the plaintiff that based on the records of the patent office, the 1st defendant is no longer the plaintiff's patent agent; and the plaintiff is required to file the form for the substantive examination pursuant to s. 29A of the Patents Act 1983. The authenticity of the letter ID2 and the veracity of its contents is further supported by another letter from the late Encik Moinuddin, on behalf of the Registrar of Patents dated 5 March 2003 where it was confirmed with the 1st defendant that he had signed the letter dated 10 September 1997; and that it is a practice of the Registry of Patents to send letters of such nature to applicants.

[105] Further, there is a presumption in law that the letter ID2 and the letter dated 5 February 2003 were properly served on the plaintiff, and the contents therein have been verified to be true. Sections 114(e) of the Evidence Act 1950 which states that "the court may presume that judicial and official acts have been regularly performed" is applicable here.

[106] In the case of *Lim Bua v. Ng Kian Heng* [1993] 2 CLJ 461, Richard Talalla J described the principle as follows:

> Section 114 of the Evidence Act (the Act) with its illustration (e) provides that judicial and official acts have been regularly performed. The illustration constitutes an application of the *maxim omnia praesumuntur rite esse* acts that is all acts are presumed to have been rightly and regularly done. As stated in Sarkar on Evidence, thirteenth edition, page 1037, the foundation for the maxim is that every person whether in his private or official character, does his duty and unless the contrary is proved, it is presumed that all things are rightly and regularly done.

[107] In the case of *Honda Giken Kogyo Kabushiki Kaisha v. Allied Pacific Motor (M) Sdn Bhd & Anor* [2005] 6 CLJ 174, Suriyadi Halim Omar J (now JCA) explained that the presumption also applies to acts of officers of the intellectual property division by stating as follows:

> Currently, there are no laws in whatever format that provides that any official act must have been performed in an irregular manner by the relevant officer, in this case the Registrar of Industrial Designs. Likewise there are no laws that presume that the integrity of an officer who carries out an official work must be questionable. The opposite on the other hand is nearer to the truth and is statutorily catered for Under s. 114(e) of the Evidence Act 1950, a Court may presume that judicial and official acts have been regularly performed.

[108] The court is satisfied that the letter ID2 has been sent to and received by the plaintiff. The address contained in ID2 is the plaintiff's address. Any bare denial of non-receipt of the letter ID2 is insufficient to rebut the presumption. In this respect the court is in full agreement with the decision of the High Court in the case of *Bank Bumiputra Malaysia Berhad v. Halimah Awang* [2002] 1 LNS 56, where it was held:

> The Defendant did attempt to submit that she was unaware of the impugned October 18, 2000 auction, but yet a scrutiny of the affidavit showed that the address in her affidavit tallied with the address stated in the Court's notice (WMZ-1). As the burden of proof was on her shoulders, bearing in mind that this was her application (sections 101 and 102 of the Evidence Act 1950), what with the factual and legal factors eliminating her 'bar table assertion', I was satisfied that the notice of September 19 had been sent and served on the Defendant. With the presumption of section 114(e) of the Evidence Act 1950 in mind, which provides that judicial and official acts would have been regularly performed, strengthened by the correctness of the address of the Defendant, any mere assertion of the Defendant without more of not having received any notice must remain unproved.

[109] Based on foregoing, it is evident that the acts of the late Encik Moinuddin being an Assistant Registrar of Patents fall within the ambit of s. 114(e) of the Evidence Act 1950. As such, it is to be presumed that the actual service and verification of the contents in ID2 had been regularly performed and thus valid. The plaintiff has failed to rebut such presumption.

[110] The court also finds that, on the whole evidence available, the 1st defendant had sufficiently informed and advised the plaintiff on the substantive examination requirement prior to his discharge in 1997. The plaintiff alleged that it had not received any information

or advice regarding the substantive examination requirement in respect of the UI application. This allegation is patently inconsistent with the evidence adduced.

[111] Prior to the filing of the UI application, the 1st defendant had explained to PW2 about the characteristics and procedures in an application for a utility innovation in the course of advising PW2 on the appropriate steps to take to protect the plaintiff's invention. During the meeting on 15 February 1997, immediately upon the plaintiff, through PW2, orally discharging him as the plaintiff's patent agent, the 1st defendant reminded PW2 about the substantive examination requirement.

[112] The plaintiff's claim against the defendants is also based on the allegation that the 1st defendant had received the notice of withdrawal dated 25 May 2000 from the patent office and failed to inform and advise the plaintiff regarding the said notice of withdrawal.

[113] On the balance of probabilities the court finds that this allegation is baseless. The evidence clearly show that the 1st defendant, having been discharged as the plaintiff's patent agent on 15 February 1997, has no duty to inform and advise the plaintiff regarding the notice of withdrawal. By 25 May 2000, the date of the notice of withdrawal, the 1st defendant was no longer acting as the plaintiff's patent agent. In any event, the 1st defendant informed the court that he had never received the notice of withdrawal as it was sent to the wrong address. The notice of withdrawal was sent to the address of "Suite 2.1, Tingkat 2, Wisma Batu, 15, Jalan Tunku Abdul Rahman, 50100 Kuala Lumpur". However, the 1st Defendant never had such an address - a fact acknowledged by PW2. In fact, the 1st defendant's address at that material time was "Suite 2.1, Tingkat 2, Wisma Batu, 50, Jalan Tuanku Abdul Rahman, 50100 Kuala Lumpur", as can be seen in the letterhead of the 1st defendant's letter dated 12 February 1996 or alternatively, in the certificate of filing. This evidence remains unchallenged.

[114] In the circumstances, the 1st defendant cannot be held liable for failing to inform and advise the plaintiff on the notice of withdrawal as alleged by the plaintiff.

[115] On the issue of damages, even assuming the 1st defendant had breached his duties as a patent agent owed to the plaintiff as alleged by the plaintiff, there is no sufficient evidence to show that such purported breaches had caused any damages to the plaintiff.

The plaintiff has not sufficiently proven that the plaintiff's invention was capable of being protected as a patent, and the non-registrability of the UI application is not proximately caused by the 1st defendant's purported breaches. The plaintiff had also not adduced any evidence to justify the sum of damages being claimed.

[116] The plaintiff's contention that the UI application would have been protected as a patent is solely based on the testimony of its expert witness, PW6. The court finds that this reliance on PW6's testimony is not strong enough to substantiate the plaintiff's contention. PW6 is not a qualified person to make proper assessment on the patentability of the plaintiff's invention, as he had admitted in his evidence that he does not possess the necessary skill in the type of patent similar to the plaintiff's invention. He himself acknowledged his lock of expertise in this area. It is also evident that PW6 has not done a proper search on the novelty of the plaintiff's invention.

[117] It is therefore clear that the plaintiff had failed to sufficiently adduced evidence to prove that the plaintiff's invention would in all likelihood be capable of being protected as a patent.

[118] Even assuming that the plaintiff's invention is capable of being protected as a patent, the court is of the view that the purported breaches of the 1st defendant is not the proximate cause of the losses (if any) suffered by the plaintiff due to failure to properly register the UI application. The plaintiff is saying that the issue here is about the non-compliance or non-fulfilment if the substantive examination requirement. However, looking at the whole evidence in totality, the court finds that such non-compliance or non-fulfilment was caused primarily to the plaintiff's own negligence and mistake; and that the 1st defendant's purported breaches (in any) are merely collateral to the non-compliance or non-fulfilment.

[119] There is evidence to show that the plaintiff was aware of the substantive examination requirement and failed to take reasonable measures towards its compliance; and that upon being aware that the substantive examination requirement was not complied with in 2001, the plaintiff failed to take reasonable measures to salvage the UI application.

[120] On the question of damages the plaintiff claims for special damages for loss of royalties amounting to RM20,250,000. Such claim is premised upon the assumption that third parties had used and/or are using the innovation similar to that of the plaintiff's invention.

[121] Unfortunately, the plaintiff had failed to adduce any evidence whatsoever to justify the amount claimed. There are serious doubts on whether the plaintiff's invention was indeed imitated by third parties to the extent that justifies the amount of the special damages claimed. The plaintiff should have adduced evidence to show that copies of the plaintiff's invention are freely used in the market. This is not done.

The Relevant Laws

[122] The plaintiff's claim is premised upon the 1st defendant's duties as a patent agent owed to the plaintiff. It relates to the issue of professional negligence. The law on professional negligence is well-settled. In the *Wong Kiong Hung & Anor v. Chang Siew Lan & Another Appeal* [2009] 3 CLJ 751, the Court of Appeal set out the requisite elements in the context of professional negligence as follows:

> To succeed in the tort of negligence against the solicitor, it is incumbent on the client to establish that:
>
> a) the solicitor owes the client a duty of care;
>
> b) there is a breach of that duty by the solicitors;
>
> c) the client has thereby suffered damage; and
>
> d) the damage is not too remote a consequence of the breach.

(see also *Maelstrom Resources Sdn Bhd & Anor v. Shearn Delamore & Co And Another Case* [2007] 1 CLJ 50, a High Court case involving a negligence claim against patent agent).

[123] On the first element of duty of care, it is not disputed that the 1st defendant owes a duty of care to the plaintiff in the capacity as a patent agent. However, at the material period when the plaintiff alleged that the 1st defendant had breach his duties, the 1st defendant had been discharged as the plaintiff's patent agent. This is supported by overwhelming evidence as discussed above. After the effective discharge on 15 February 1997 the 1st defendant was no more acting as a patent agent for the plaintiff and therefore owes no duty of care towards the plaintiff in that capacity. Thus the question of breach of any duty of care as a patent agent as well as damages suffered as a result of the breach do not arise at all.

[124] A patent agent who has been discharged by an applicant owes no further duties to the applicant to continue prosecuting the application. The substantive examination requirement can be complied at any time within the prescribed two-year period - in the present case, between 22 August 1996 and 22 August 1998. There is no strict duty imposed upon patent agents to submit the substantive examination request immediately after the filing of a patent during the effective period, as such filing can be done at any time within the two-year period. The 1st defendant's duty to make the request for substantive examination for the UI application ceased upon his discharge of 15 February 1997, and thus he cannot be held liable that such request was never made.

[125] The 1st defendant agrees that he owed a duty to the plaintiff to inform and advise the plaintiff on the substantive examination requirement, but only during the effective period ie, before the 1st defendant's discharge, not after being discharged.

[126] On the notice of withdrawal, the 1st defendant did not owe a duty to the plaintiff to inform and advise the plaintiff on the grounds that the 1st defendant no longer acted as the plaintiff's patent agent from 15 February 1997 onwards as he had been discharged by the plaintiff; and the 1st defendant did not receive the notice of withdrawal dated 25 May 2000 as it was sent to the wrong address.

[127] If at all, assuming that the 1st defendant owed a duty to the plaintiff to inform and advise the plaintiff on the substantive examination requirement, the court is of the view that the 1st defendant did not breach that duty. In this regard the court refers to the well-known dictum of Baron Alderson in the case of *Blyth v. Birmingham Waterworks & Co* [1856] 11 Exch. 781 at p. 784:

> The omission to do something which a reasonable man, guided upon those consideration which ordinarily regulate the conduct of human affairs, would do, or doing something which a prudent and reasonable man would not do.

The above *dictum* was adopted by Kang Hwee Gee J in the case of *Maelstorm Resources Sdn Bhd & Anor v. Shearn Delamore & Co And Another Case (supra)*.

[128] A person who practices a profession is bound to exercise the care and skill of an ordinary competent practitioner in that profession. Every person who enters into a learned profession undertakes to bring to the exercise of it a reasonable degree of care and skill. He does not undertake to use the highest degree of skill,

but he undertakes to bring a fair, reasonable and competent degree of skill. (See: *Swamy v. Matthews & Anor* [1967] 1 LNS 174; *Lamphier v. Phipos* [1883] 173 ER 581; and *Wong Kiong Hung & Anor v. Chang Siew Lan (supra)*.

[129] The test to be applied here is whether the 1st defendant has exercised reasonable care and skill of an ordinary patent agent while discharging his duty to inform and advise the plaintiff on the substantive examination requirement.

[130] There is no strict duty imposed upon a patent agent to inform and advise the applicant on every single procedural step to be taken in a patent application, particularly if such a step in purely administrative and mechanical, and requires no exercise of discretion or decision-making. It is self-evident that such steps are required to be taken under all circumstances, and thus information and advice relating to such steps need not be couched in specific terms. It is the responsibility of the patent agent to keep track of such procedural timelines, and he is not strictly required to inform the applicant of such procedural timelines.

[131] After going through all the evidence and the relevant laws, the court finds that an ordinary patent agent exercising reasonable care and skill would find it sufficient that he prosecutes the patent application properly according to the procedural timelines, without giving detailed information and advice to the applicant on procedural matters such as the substantive examination requirement. Alternatively, even if such a duty arises, such a duty merely requires the 1st defendant to offer general information and advice to the plaintiff.

[132] Notwithstanding the issue of duty of care and breach of duty, the court is also of the view that in any event, the plaintiff had failed to sufficiently prove that it had suffered any damages. The plaintiff had failed to prove that the patent invention, even if successfully registered, is capable of being protected as a patent in Malaysia. Thus, the plaintiff is not entitled to claim for damages, since even assuming that the UI application had been prosecuted properly, there is much doubt and uncertainly on whether the plaintiff's invention could in fact be successfully protected by patent.

[133] For the purpose of completeness, the court finds that even if the 1st defendant had breached his duties owed to the plaintiff in the manner alleged by the plaintiff, such purported breaches cannot be regarded as the proximate cause of the non-registrability

of the UI application. The damages suffered by the plaintiff (if any) is too remote to be attributed, in law and in fact, to the 1st defendant's purported breaches.

[134] The law on causation in fact is well-settled. In the case of *Majlis Perbandaran Ampang Jaya v. Steven Phoa Cheng Loon & Ors* [2006] 2 CLJ 1, the Federal Court held as follows:

> Causation is a matter to be determined by common sense and what the law regards as fair, just and reasonable in the circumstances of a particular case… The relevant question is whether the acts and/or omissions of a particular Defendant made a material contribution to the harm suffered by the Plaintiff.

[135] The evidence in totality is the present case clearly shows that the non-registrability of the UI application was solely or materially caused by the plaintiff's own neglect. The plaintiff has slept on the UI application after the 1st defendant was discharged on 15 February 1997 and cannot now blame the 1st defendant for the consequences.

Conclusion

[136] Based on the above considerations the court is satisfied that the plaintiff had, on the balance of probabilities, failed to establish its claims against the defendants. Therefore the plaintiff's claim is dismissed with costs (to be taxed).